

Memorandum



Date: September 4, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in dark ink, appearing to read "Carlos A. Gimenez", written over the printed name.

Subject: Supplemental to the Consolidated Plan Item Requesting Authorization to Issue a
FY 2013 Documentary Stamp Surtax Request For Applications for Local Match
Applicants

Supplement to
Agenda Item No. 8K1

The following provides supplemental information regarding the recommendations and authorizations relating to the gap financing and Request For Applications (RFA) process. The administration seeks authorization, as described in the justification memorandum, to issue an RFA process or other process for Documentary Stamp Surtax (Surtax) funds to fund projects that receive 9% tax credits from the State. In addition to that authorization, the administration seeks authorization, as described below, to (a) include in the RFA, at the discretion of the County Mayor, four percent (4%) tax credit projects; (b) issue an RFA or other process for Surtax funds as a local match for projects that receive 9% tax credits from the State; (c) administratively award local match funds contingent upon tax credit cycle success; and (d) recapture funds from non-performing or under-budget projects and include said recaptured funds or other unallocated funds in the RFA process. It is recommended that this resolution approving the Consolidated Plan be amended to include the recommendations set forth in this Supplement. These recommendations are explained in more detail below:

- It is recommended that the Board authorize the County Mayor or County Mayor's designee to include, at the County Mayor's discretion, projects that receive four percent (4%) tax credits in the FY 2013 RFA process for Surtax funds. In the justification memorandum, authorization was requested to conduct an RFA for Surtax funds only for projects receiving nine percent (9%) tax credits from the State. The additional authority to include four percent (4%) tax credit projects is recommended in order to increase the competitiveness of the pool of applications and to provide more flexibility for the County Mayor or County Mayor's designee in designing the RFA application process.
- It is recommended that the Board authorize the County Mayor or County Mayor's designee to include in the FY 2013 RFA process a category for the conditional award of an undefined amount of Surtax funds consistent with the State requirement for local match. These local match Surtax awards are to be awarded to threshold applicants who will be applying for the 2013 Florida Housing Finance Corporation (FHFC) Low Income Housing Tax Credits (tax credits/other subsidy). This authorization to include a local match category in the RFA is only sought to the extent that the State requires a local match in the tax credit application process. Currently, the State's final rulemaking is under consideration. This authorization will allow the County to be prepared to accept applications, if necessary.

- It is also recommended that the Board authorize the County Mayor, upon completion of the RFA evaluation process, to administratively award Surtax local match funds to applicants that meet the threshold requirements contingent upon the applicants successfully securing the FHFC housing tax credit/subsidy award. Applicants that do not subsequently receive an FHFC housing tax credit/subsidy award will have their minimum local contribution rescinded.
- It is also recommended that the Board delegate to the County Mayor the authority to recapture funds from non-performing or under-budget projects and to add any unallocated or recaptured funds to the Request for Application. These funds will be made available during the application process and consistent with the approved policies. The award recommendations for these funds will be brought back to the Board for approval.

This Local Match RFA cycle is for threshold applicants who are applying for 2013 FHFC Universal Application Cycle housing tax credits and are required to obtain a minimum local contribution, as defined by the State to be considered eligible to compete for funding. Applicants will receive the minimum local government match contribution, if the application is complete and meets all threshold information requirements. The threshold information requested in the County's application will be consistent with FHFC's 2013 Universal Cycle requirements and may include, but is not limited to, the following: 1) Development Team, 2) Project Proximity, 3) Development Status, 4) Ability to Proceed, 5) Local Government Match, and 6) Site Control.

The process utilized by FHFC is very competitive. Historically, approximately five to eleven projects per cycle receive a housing tax credit award in Miami-Dade County. All applicants who received a minimum local government match will have their allocation rescinded automatically, if the projects are not awarded housing tax credits.



Russell Benford, Deputy Mayor